

**HOUSE BILL NO. 217**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE CARPENTER**

**Introduced: 5/18/21**

**Referred: Transportation, State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to the transfer of duties from the Department of Administration to the**  
2   **Department of Transportation and Public Facilities; relating to real property leases and**  
3   **lease-purchase agreements; relating to the management of state facilities; relating to the**  
4   **duties of the Department of Administration and the Department of Transportation and**  
5   **Public Facilities; relating to the Alaska public building fund; and providing for an**  
6   **effective date."**

7   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8    \* **Section 1.** AS 35.05.010 is amended to read:

9           **Sec. 35.05.010. Planning, [AND] construction, leasing, and procurement.**

10          The department is responsible for the planning and construction of public works **and**  
11          **for leasing space for the use of the state or an agency,** except as provided for court  
12          facilities in AS 22.05.025. **The procurement of contracts** [CONTRACTS] for  
13          planning and construction of public works **and the procurement of leases of space**

1 **for the use of the state or an agency** are governed by AS 36.30 (State Procurement  
2 Code).

3 \* **Sec. 2.** AS 35.05.040 is amended to read:

4 **Sec. 35.05.040. Powers of department.** The department may

- 5 (1) acquire property;
- 6 (2) exercise the power of eminent domain;
- 7 (3) take immediate possession of real property, or any interest in it  
8 under a declaration of taking or by other lawful means;
- 9 (4) acquire rights-of-way for present or future use;
- 10 (5) dispose of excess property or property rights;
- 11 (6) accept and dispose of federal funds or property available for public  
12 works construction, maintenance, or equipment;
- 13 (7) enter into contracts or agreements relating to public works with the  
14 federal government and political subdivisions, and also enter into contracts with a  
15 foreign government if approved by the federal government;
- 16 (8) exercise any other power necessary to carry out the purpose of this  
17 title;
- 18 (9) lease or grant land or any interest in land to the Alaska Housing  
19 Finance Corporation for a purpose set out in AS 18.55.100 - 18.55.960 on terms and  
20 conditions prescribed by the department;
- 21 (10) procure directly materials, labor, and contractual services for  
22 planning, designing, **leasing**, and constructing public facilities of the state;
- 23 **(11) procure leases of space under AS 36.30 (State Procurement**  
24 **Code) and manage the leases.**

25 \* **Sec. 3.** AS 35.05 is amended by adding a new section to read:

26 **Sec. 35.05.070. Definition.** In AS 35.05.010 - 35.05.060, "agency" has the  
27 meaning given in AS 36.30.990.

28 \* **Sec. 4.** AS 35.10.160 is amended to read:

29 **Sec. 35.10.160. Findings and purpose.** The legislature finds that since the  
30 needs of the state for physical facilities of all kinds are diverse, the planning, design,  
31 [AND] construction, **and procurement** of public facilities **and the leasing of space**

1 should be executed in accordance with facility procurement policies developed by the  
2 department and reviewed annually by the legislature.

3 \* **Sec. 5.** AS 35.10.170 is amended to read:

4 **Sec. 35.10.170. Duties of department.** In addition to other duties prescribed  
5 by statute, the department shall

6 (1) develop facility procurement policies for the planning, design,  
7 lease, construction, maintenance, and operation of public facilities of the state;

8 (2) develop and maintain an inventory of physical facilities currently  
9 owned or occupied by the state;

10 (3) make projections of future public facility needs of the state, analyze  
11 facilities needed, and establish methodology for program planning and facilities  
12 project planning, design, and construction, based upon

13 (A) a justification of the level of service anticipated by the  
14 program agency, utilizing population projections and estimates approved by  
15 the governor;

16 (B) consideration of the geographical area to be served by the  
17 facility and relevant data concerning the agency's existing public facilities in  
18 that area;

19 (C) the date by which the services are to be provided;

20 (D) alternative program methods for providing the services;

21 and

22 (E) pertinent data requested by the department in accordance  
23 with procedures developed under AS 35.10.180;

24 (4) engage in experimental projects as necessary relating to any  
25 available or future method of facility procurement, design, lease, or construction and  
26 any method of improving existing design, planning, and construction techniques;

27 (5) develop life cycle costs of public facilities of the state;

28 (6) develop life cycle costing methodologies for the following special  
29 purposes:

30 (A) budget forecasting to support facility program planning and  
31 analysis;

(B) systematic cost estimating to forecast planning, design, lease procurement, and construction;

(C) budget forecasting to support development of annual maintenance and operating strategies and life cycle cost plans;

(D) alternative methods of space acquisition and space equalization that [WHICH] will maximize the effectiveness of public funds;

(7) apply for and accept, on behalf of the state, grants from the federal government or an agency of it or from another state foundation, corporation, association, or individual for any of the functions or purposes of the department and may expend any of the money received under this section for any of the functions or purposes.

\* **Sec. 6.** AS 35.10.190(a) is amended to read:

(a) The department shall coordinate the procurement of physical facilities for the state by lease or construction to insure the greatest cost savings of planning, design, and contractual techniques.

\* **Sec. 7.** AS 35.10.195 is amended to read:

**Sec. 35.10.195. Compliance [CONFORMANCE] with AS 36.30.** The contractual techniques for the procurement of labor, materials, and contractual services, including the procurement of construction services and leases of space, under [THE POLICIES DEVELOPED UNDER] this chapter must conform to the requirements of AS 36.30 (State Procurement Code).

\* **Sec. 8.** AS 35.10.200 is amended to read:

**Sec. 35.10.200. Definitions.** In AS 35.10.160 - 35.10.200,

(1) "life cycle costs" means analytic techniques that [WHICH] provide data to describe the first cost of procurement of public facilities by construction or by leases and the maintenance cost, operation cost, and occupancy cost of the facilities;

(2) "policies" includes but is not limited to budget accounting and cost planning techniques, facility design techniques, and contractual techniques for the procurement of labor, materials, leases, and contractual services.

\* **Sec. 9.** AS 36.30.005(b) is amended to read:

(b) Except as otherwise provided in this subsection and this chapter, all

rights, powers, duties, and authority relating to the procurement of construction and procurements of equipment or services for the state equipment fleet and the control over construction of state facilities and the state equipment fleet vested in or exercised by an agency on January 1, 1988, are transferred to the commissioner of transportation and public facilities, subject to regulations adopted by the commissioner of administration. Notwithstanding AS 44.68.110, authority relating to disposals from the state equipment fleet is vested in the commissioner of transportation and public facilities, subject to regulations adopted by the commissioner of administration. **The commissioner of transportation and public facilities has all of the rights, powers, duties, and authority relating to the procurement of leases of space for the use of the state or an agency.** Authority granted under this subsection shall be exercised in accordance with this chapter.

\* **Sec. 10.** AS 36.30.015(a) is amended to read:

(a) The commissioner of transportation and public facilities may delegate to another agency the authority to contract for construction **or to lease space for the use of the state or an agency.** Before delegating authority to an agency under this subsection, the commissioner of transportation and public facilities shall make a written determination that the agency is capable of implementing the delegated authority. Notwithstanding delegation of authority under this subsection, contracts for construction **and leases of space** are governed by this chapter and regulations adopted by the commissioner of administration under this chapter.

\* **Sec. 11.** AS 36.30.015(b) is amended to read:

(b) The commissioner of administration may delegate to an agency the authority to contract for and manage services, professional services, and supplies. Notwithstanding delegation of authority under this subsection, an agency's exercise of the authority is governed by this chapter and regulations adopted by the commissioner under this chapter. Before delegating authority to an agency under this subsection, the commissioner shall make a written determination that the agency is capable of implementing the delegated authority. **In this subsection, "supplies" does not include real property leases.**

\* **Sec. 12.** AS 36.30.080(a) is amended to read:

(a) The **Department of Transportation and Public Facilities** [DEPARTMENT] shall lease space for the use of the state or an agency wherever it is necessary and feasible, subject to compliance with the requirements of this chapter. A lease may not provide for a period of occupancy greater than 40 years. An agency requiring office, warehouse, or other space shall lease the space through the **Department of Transportation and Public Facilities** [DEPARTMENT].

\* **Sec. 13.** AS 36.30.080(c) is amended to read:

(c) If the **Department of Transportation and Public Facilities** [DEPARTMENT], the Board of Regents of the University of Alaska, the legislative council, or the supreme court intends to enter into or renew a lease of real property with an annual rent to the **Department of Transportation and Public Facilities** [DEPARTMENT], University of Alaska, legislative council, or supreme court that is anticipated to exceed \$500,000, or with total lease payments that exceed \$2,500,000 for the full term of the lease, including any renewal options that are defined in the lease, the **Department of Transportation and Public Facilities** [DEPARTMENT], the Board of Regents, the legislative council, or supreme court shall provide notice to the legislature. The notice must include the anticipated annual lease obligation amount and the total lease payments for the full term of the lease. The **Department of Transportation and Public Facilities** [DEPARTMENT], the Board of Regents, the legislative council, and the supreme court may not enter into or renew a lease of real property

(1) requiring notice under this subsection unless the proposed lease or renewal of a lease has been approved by the legislature by law; an appropriation for the rent payable during the initial period of the lease or the initial period of lease renewal constitutes approval of the proposed lease or renewal of a lease for purposes of this paragraph;

(2) under this subsection if the total of all optional renewal periods provided for in the lease exceeds the original term of the lease exclusive of the total period of all renewal options.

\* **Sec. 14.** AS 36.30.080(d) is amended to read:

(d) When the **Department of Transportation and Public Facilities**

[DEPARTMENT] is evaluating proposals for a lease of space, the **Department of Transportation and Public Facilities** [DEPARTMENT] shall consider, in addition to lease costs, the life cycle costs, function, indoor environment, public convenience, planning, design, appearance, and location of the proposed building.

\* **Sec. 15.** AS 36.30.080(e) is amended to read:

(e) When the **Department of Transportation and Public Facilities** [DEPARTMENT] is considering leasing space, the **Department of Transportation and Public Facilities** [DEPARTMENT] should consider whether leasing is likely to be the least costly means to provide the space.

\* **Sec. 16.** AS 36.30.080(f) is amended to read:

(f) When the **Department of Transportation and Public Facilities** [DEPARTMENT] is acquiring leased space of 7,000 square feet or less, the **Department of Transportation and Public Facilities** [DEPARTMENT] may procure the leased space using the procedures for small procurements under AS 36.30.320, providing public notice is given to prospective offerors in the market area.

\* **Sec. 17.** AS 36.30.083 is amended to read:

**Sec. 36.30.083. Lease extensions authorized.** (a) Notwithstanding any other provision of this chapter, the **Department of Transportation and Public Facilities** [DEPARTMENT], the Board of Regents of the University of Alaska, the legislative council, or the court system may extend a real property lease that is entered into under this chapter for up to 10 years if a minimum cost savings of at least 10 percent below the market rental value of the real property at the time of the extension would be achieved on the rent due under the lease. The market rental value must be established by a real estate broker's opinion of the rental value or by an appraisal of the rental value.

(b) The **Department of Transportation and Public Facilities** [DEPARTMENT], the University of Alaska, the court system, and the Legislative Affairs Agency shall submit individually an annual report to the Legislative Budget and Audit Committee detailing the leases extended and the cost savings achieved by that entity under (a) of this section. The reports are due August 31 of each year.

1 \* **Sec. 18.** AS 36.30.085(a) is amended to read:

2 (a) To perform its duties and statutory functions, the **Department of**  
 3 **Transportation and Public Facilities** [DEPARTMENT], the Board of Regents of the  
 4 University of Alaska, the legislative council, or the supreme court may enter into  
 5 lease-purchase agreements for real property. The **Department of Transportation and**  
 6 **Public Facilities** [DEPARTMENT], the Board of Regents, the legislative council, or  
 7 the supreme court may enter into a lease-purchase agreement only if the **Department**  
 8 **of Transportation and Public Facilities** [DEPARTMENT], the Board of Regents,  
 9 the legislative council, or the supreme court is the lessee under the agreement.

10 \* **Sec. 19.** AS 36.30.085(b) is amended to read:

11 (b) When evaluating proposals to acquire or improve real property under a  
 12 lease-purchase agreement, the **Department of Transportation and Public Facilities**  
 13 [DEPARTMENT], the Board of Regents, the legislative council, or the supreme court  
 14 shall consider

15 (1) in addition to lease costs, the life cycle costs, function, indoor  
 16 environment, public convenience, planning, design, appearance, and location of the  
 17 real property proposed for acquisition or improvement; and

18 (2) whether acquisition or improvement of the real property by lease-  
 19 purchase agreement is likely to be the least costly means to provide the space.

20 \* **Sec. 20.** AS 36.30.085(c) is amended to read:

21 (c) A lease-purchase agreement

22 (1) may not provide for a period of occupancy under the full term of  
 23 the lease-purchase agreement that is greater than 40 years;

24 (2) must provide that lease payments made by the **Department of**  
 25 **Transportation and Public Facilities** [DEPARTMENT], the Board of Regents, the  
 26 legislative council, or the supreme court are subject to annual appropriation.

27 \* **Sec. 21.** AS 36.30.085(d) is amended to read:

28 (d) If the **Department of Transportation and Public Facilities**  
 29 [DEPARTMENT], Board of Regents, legislative council, or supreme court intends to  
 30 enter into or renew a lease-purchase agreement for real property, the **Department of**  
 31 **Transportation and Public Facilities** [DEPARTMENT], Board of Regents,



1 legislative council, or supreme court shall provide notice to the legislature. The notice  
2 must include the

3 (1) anticipated total construction, acquisition, or other costs of the  
4 project;

5 (2) anticipated annual amount of the rental obligation; and

6 (3) total lease payments for the full term of the lease-purchase  
7 agreement.

8 \* **Sec. 22.** AS 36.30.085(e) is amended to read:

9 (e) The **Department of Transportation and Public Facilities**  
10 [DEPARTMENT], the Board of Regents, the legislative council, or the supreme court  
11 may not enter into a lease-purchase agreement to acquire or improve real property  
12 unless the agreement has been approved by the legislature by law.

13 \* **Sec. 23.** AS 36.30.300(a) is amended to read:

14 (a) A contract may be awarded for supplies, services, professional services, or  
15 construction without competitive sealed bidding, competitive sealed proposals, or  
16 other competition in accordance with regulations adopted by the commissioner. A  
17 contract may be awarded under this section only when the chief procurement officer  
18 or, for construction contracts, **leases of real property**, or procurements for the state  
19 equipment fleet, the commissioner of transportation and public facilities determines in  
20 writing that

21 (1) it is not practicable to award a contract by competitive sealed  
22 bidding under AS 36.30.100, competitive sealed proposals under AS 36.30.200, or  
23 limited competition under AS 36.30.305; and

24 (2) award of the contract under this section is in the state's best  
25 interest.

26 \* **Sec. 24.** AS 36.30.305(a) is amended to read:

27 (a) A construction contract under \$100,000, or a contract for supplies,  
28 services, or professional services, may be awarded without competitive sealed bidding  
29 or competitive sealed proposals, in accordance with regulations adopted by the  
30 commissioner. A contract may be awarded under this section only when the chief  
31 procurement officer determines in writing that a situation exists that makes

1 competitive sealed bidding or competitive sealed proposals impractical or contrary to  
 2 the public interest, except that the attorney general, the public defender, or the director  
 3 of the office of public advocacy as provided in AS 36.30.015(k) may make the  
 4 determination for services of legal counsel, and the commissioner of transportation  
 5 and public facilities may make the determination for construction contracts under  
 6 \$100,000, leases of real property, or procurements for the state equipment fleet.  
 7 Procurements under this section shall be made with competition that is practicable  
 8 under the circumstance. Except for procurements of supplies, services, professional  
 9 services, or construction that do not exceed the amount for small procurements under  
 10 AS 36.30.320(a), as applicable, the authority to make a determination required by this  
 11 section may not be delegated.

12 \* **Sec. 25.** AS 36.30.308(a) is amended to read:

13 (a) A contract may be awarded for supplies, services, professional services, or  
 14 construction using an innovative procurement process, with or without competitive  
 15 sealed bidding or competitive sealed proposals, in accordance with regulations  
 16 adopted by the commissioner. A contract may be awarded under this section only  
 17 when the chief procurement officer, or, for construction contracts or procurements of  
 18 the state equipment fleet or leases of real property, the commissioner of  
 19 transportation and public facilities, determines in writing that it is advantageous to the  
 20 state to use an innovative competitive procurement process in the procurement of new  
 21 or unique requirements of the state, new technologies, or to achieve best value.

22 \* **Sec. 26.** AS 36.30.310 is amended to read:

23 **Sec. 36.30.310. Emergency procurements.** Procurements may be made under  
 24 emergency conditions as defined in regulations adopted by the commissioner when  
 25 there exists a threat to public health, welfare, or safety, when a situation exists that  
 26 makes a procurement through competitive sealed bidding or competitive sealed  
 27 proposals impracticable or contrary to the public interest, or to protect public or  
 28 private property. An emergency procurement need not be made through competitive  
 29 sealed bidding or competitive sealed proposals but shall be made with competition that  
 30 is practicable under the circumstances. A written determination by the chief  
 31 procurement officer, or, for construction contracts, leases of real property, or

1 **procurements for the state equipment fleet, the commissioner of transportation**  
 2 **and public facilities,** of the basis for the emergency and for the selection of the  
 3 particular contractor shall be included in the contract file. The written determination  
 4 must include findings of fact that support the determination. Except when there is  
 5 insufficient time for the chief procurement officer **or the commissioner of**  
 6 **transportation and public facilities, as appropriate,** to make the written  
 7 determination required by this section, the chief procurement officer **or the**  
 8 **commissioner of transportation and public facilities, as appropriate,** may not  
 9 delegate the authority to make the determination.

10 \* **Sec. 27.** AS 36.30.580(b) is amended to read:

11 (b) The time for a decision may be extended up to 30 days for good cause by  
 12 the commissioner of administration, or, for protests involving construction, **leases of**  
 13 **real property,** or procurements for the state equipment fleet, the commissioner of  
 14 transportation and public facilities. If an extension is granted, the procurement officer  
 15 shall notify the protester in writing of the date that the decision is due.

16 \* **Sec. 28.** AS 36.30.590(a) is amended to read:

17 (a) An appeal from a decision of a procurement officer on a protest may be  
 18 filed by the protester with the commissioner of administration, or for protests  
 19 involving construction, **leases of real property,** or procurements for the state  
 20 equipment fleet, the commissioner of transportation and public facilities. An appeal  
 21 shall be filed within 10 days after the decision is received by the protester. The  
 22 protester shall file a copy of the appeal with the procurement officer.

23 \* **Sec. 29.** AS 36.30.620(c) is amended to read:

24 (c) Upon the written request of the procurement officer, the time for issuing a  
 25 decision under (b) of this section may be extended for up to 60 additional days by the  
 26 commissioner if the claim concerns an amount in excess of \$50,000. Upon the written  
 27 request of the procurement officer showing that good cause exists for a second  
 28 extension, the commissioner may extend the time for issuing a decision under (b) of  
 29 this section up to 90 additional days after the first extension. The contractor shall be  
 30 provided with an opportunity to oppose or otherwise respond to the request for a  
 31 second extension. If a second extension is granted, the commissioner shall notify the

contractor and the procurement officer in writing that the time for the issuance of a decision has been extended and of the date by which a decision shall be issued. In this subsection, "commissioner" means the commissioner of administration or, for a claim involving a construction contract, lease of real property, or procurement for the state equipment fleet, the commissioner of transportation and public facilities.

\* **Sec. 30.** AS 36.30.625(a) is amended to read:

(a) An appeal from a decision of the procurement officer on a contract claim may be filed by the contractor with the commissioner of administration or, for a claim involving a construction contract, lease of real property, or procurement for the state equipment fleet, the commissioner of transportation and public facilities. The appeal shall be filed within 14 days after the decision is received by the contractor. An appeal by a contractor of the Department of Transportation and Public Facilities may not raise any new factual issues or theories of recovery that were not presented to and decided by the procurement officer in the decision under AS 36.30.620(b), except that a contractor may increase the contractor's calculation of damages if the increase arises out of the same operative facts on which the original claim was based. The contractor shall file a copy of the appeal with the procurement officer.

\* **Sec. 31.** AS 36.30.870(b) is amended to read:

(b) Regulations under this chapter applicable to procurements of construction, procurements of leases of real property, or procurements for or disposal of property of the state equipment fleet shall be adopted by the commissioner of administration only after consultation with the commissioner of transportation and public facilities.

\* **Sec. 32.** AS 37.05.570(a) is amended to read:

(a) There is created as a special account in the general fund the Alaska public building fund into which shall be deposited

(1) payments made to the Department of Transportation and Public Facilities [ADMINISTRATION] by a public or private occupant of a covered building under an agreement with the Department of Transportation and Public Facilities [ADMINISTRATION] for costs of the occupant's use and occupancy of building space; and

(2) appropriations to the Alaska public building fund.

1 \* **Sec. 33.** AS 37.05.570(b) is amended to read:

2 (b) **On** [BEGINNING WITH THE APPROPRIATIONS FOR THE FISCAL  
3 YEAR BEGINNING JULY 1, 2000, ON] an annual basis and under AS 37.07  
4 (Executive Budget Act), the legislature may appropriate amounts from the Alaska  
5 public building fund to the Department of **Transportation and Public Facilities**  
6 [ADMINISTRATION] to pay use, management, operation, maintenance, and  
7 depreciation costs related to space of covered buildings managed under an agreement  
8 with the Department of **Transportation and Public Facilities**  
9 [ADMINISTRATION].

10 \* **Sec. 34.** AS 37.05.570(f) is amended to read:

11 (f) In this section, "covered building" means any building owned by the state  
12 for which the responsibility for operation, maintenance, and management has been  
13 assigned to the Department of **Transportation and Public Facilities**  
14 [ADMINISTRATION].

15 \* **Sec. 35.** AS 44.42.020 is amended to read:

16 **Sec. 44.42.020. Powers and duties.** (a) The department shall

17 (1) plan, design, construct, and maintain all state modes of  
18 transportation and transportation facilities and all docks, floats, breakwaters, buildings,  
19 and similar facilities;

20 (2) study existing transportation modes and facilities in the state to  
21 determine how they might be improved or whether they should continue to be  
22 maintained;

23 (3) study alternative means of improving transportation in the state  
24 with regard to the economic costs of each alternative and its environmental and social  
25 effects;

26 (4) develop a comprehensive, long-range, intermodal transportation  
27 plan for the state;

28 (5) study alternatives to existing modes of transportation in urban areas  
29 and develop plans to improve urban transportation;

30 (6) cooperate and coordinate with and enter into agreements with  
31 federal, state, and local government agencies and private organizations and persons in

1 exercising its powers and duties;

2 (7) manage, operate, and maintain state transportation facilities and all  
3 docks, floats, breakwaters, and buildings, including all state highways, vessels,  
4 railroads, pipelines, airports, and aviation facilities;

5 (8) study alternative means of transportation in the state, considering  
6 the economic, social, and environmental effects of each alternative;

7 (9) coordinate and develop state and regional transportation systems,  
8 considering deletions, additions, and the absence of alterations;

9 (10) develop facility program plans for transportation and state  
10 buildings, docks, and breakwaters required to implement the duties set out in this  
11 section, including but not limited to functional performance criteria and schedules for  
12 completion;

13 (11) supervise and maintain all state automotive and mechanical  
14 equipment, aircraft, and vessels, except vessels and aircraft used by the Department of  
15 Fish and Game or the Department of Public Safety; for state vehicles maintained by  
16 the department, the department shall, every five years, evaluate the cost, efficiency,  
17 and commercial availability of alternative fuels for automotive purposes, and the  
18 purpose for which the vehicles are intended to be used, and convert vehicles to use  
19 alternative fuels or purchase energy efficient vehicles whenever practicable; the  
20 department may participate in joint ventures with public or private partners that will  
21 foster the availability of alternative fuels for all automotive fuel consumers;

22 (12) supervise aeronautics inside the state, under AS 02.10;

23 (13) implement the safety and financial responsibility requirements for  
24 air carriers under AS 02.40;

25 (14) inspect weights and measures;

26 (15) at least every four years, study alternatives available to finance  
27 transportation systems in order to provide an adequate level of funding to sustain and  
28 improve the state's transportation system;

29 **(16) manage space in state buildings and allot space in state**  
30 **buildings to the various departments according to need and available space.**

31 (b) The department may

(1) engage in experimental projects relating to available or future modes of transportation and any means of improving existing transportation facilities and service;

(2) **acquire and dispose of leases of real property under AS 36.30** **and** exercise the power of eminent domain, including the declaration of taking as provided in AS 09.55;

(3) publish plans, schedules, directories, guides, and manuals for distribution, with or without charge, to private or public entities or persons;

(4) operate state housing in support of the department's statutory responsibilities and charge rent that is consistent with applicable collective bargaining agreements, or, if no collective bargaining agreement is applicable, competitive with market conditions;

(5) charge reasonable fees to cover the costs of issuing easements, licenses, and permits and to cover the costs of reproduction, printing, mailing, and distribution of contract and bid documents and design and construction standards manuals;

(6) charge and collect fees for training services and technical assistance provided by department personnel;

**(7) delegate to another agency the authority to maintain a building or other similar facility used by an agency of the executive branch.**

\* **Sec. 36.** AS 44.21.020(5) is repealed.

\* **Sec. 37.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY: CURRENT PROCUREMENTS. (a) This Act does not apply to the procurement of a lease under AS 36.30 if the invitation to bid, request for proposals, or other form of solicitation used for the procurement is issued before the effective date of this Act.

(b) Notwithstanding (a) of this section, this Act applies to the procurement of a lease under AS 36.30 if all parties to the procurement agree in writing that the applicable provisions of this Act apply to the procurement.

(c) In this section, "procurement" has the meaning given in AS 36.30.990.

1     \* **Sec. 38.** The uncoded law of the State of Alaska is amended by adding a new section to  
2 read:

3           TRANSITION: TRANSFER OF LEASES. (a) Except as provided in (b) of this  
4 section, on or before July 1, 2023, the Department of Administration shall transfer to the  
5 Department of Transportation and Public Facilities all of the interest that the Department of  
6 Administration has in each lease of real property that the Department of Administration is a  
7 party to on the effective date of this Act.

8           (b) The Department of Administration may not transfer a lease under this section  
9 unless all parties to the lease consent to the transfer.

10    \* **Sec. 39.** The uncoded law of the State of Alaska is amended by adding a new section to  
11 read:

12           TRANSITION: TRANSFER OF ASSETS. On or before July 1, 2023, the Department  
13 of Administration shall transfer to the Department of Transportation and Public Facilities the  
14 records, equipment, and other property related to the management of space in the buildings or  
15 other facilities occupied by an agency of the state. In this section, "agency" has the meaning  
16 given in AS 36.30.990.

17    \* **Sec. 40.** The uncoded law of the State of Alaska is amended by adding a new section to  
18 read:

19           SAVING CLAUSE. Litigation, hearings, investigations, and other proceedings  
20 pending under a law amended or repealed by this Act, or in connection with functions  
21 transferred from the Department of Administration to the Department of Transportation and  
22 Public Facilities by this Act, continue in effect and may be continued and completed  
23 notwithstanding a transfer, amendment, or repeal provided for in this Act. Certificates, orders,  
24 and regulations issued or adopted under authority of a law amended or repealed by this Act  
25 remain in effect for the term issued or until revoked, vacated, or otherwise modified under the  
26 provisions of this Act. Except as provided for leases under sec. 38 of this Act, contracts,  
27 rights, liabilities, and obligations created by or under a law amended or repealed by this Act,  
28 and in effect on the effective date of this Act, remain in effect notwithstanding this Act's  
29 taking effect.

30    \* **Sec. 41.** This Act takes effect immediately under AS 01.10.070(c).